

House File 2507 - Introduced

HOUSE FILE 2507
BY COMMITTEE ON AGRICULTURE

(SUCCESSOR TO HSB 696)

A BILL FOR

- 1 An Act providing for purse agreements for races of standardbred
- 2 horses at county fairs.
- 3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. Section 99F.6, subsection 4, paragraph a, Code
2 2009, is amended to read as follows:

3 a. (1) Before a license is granted, the division of
4 criminal investigation of the department of public safety
5 shall conduct a thorough background investigation of the
6 applicant for a license to operate a gambling game operation
7 on an excursion gambling boat. The applicant shall provide
8 information on a form as required by the division of criminal
9 investigation.

10 (2) A qualified sponsoring organization licensed to operate
11 gambling games under this chapter shall distribute the receipts
12 of all gambling games, less reasonable expenses, charges,
13 taxes, fees, and deductions allowed under this chapter, as
14 winnings to players or participants or shall distribute the
15 receipts for educational, civic, public, charitable, patriotic,
16 or religious uses as defined in section 99B.7, subsection 3,
17 paragraph "b". However, a licensee to conduct gambling games
18 under this chapter shall, unless an operating agreement for an
19 excursion gambling boat otherwise provides, distribute at least
20 three percent of the adjusted gross receipts for each license
21 year for educational, civic, public, charitable, patriotic,
22 or religious uses as defined in section 99B.7, subsection 3,
23 paragraph "b". However, if a licensee who is also licensed to
24 conduct pari-mutuel wagering at a horse racetrack has unpaid
25 debt from the pari-mutuel racetrack operations, the first
26 receipts of the gambling games operated within the racetrack
27 enclosure less reasonable operating expenses, taxes, and fees
28 allowed under this chapter shall be first used to pay the
29 annual indebtedness.

30 (3) The commission shall authorize, subject to the debt
31 payments for horse racetracks and the provisions of paragraph
32 "b" for dog racetracks, a licensee who is also licensed to
33 conduct pari-mutuel dog or horse racing to use receipts from
34 gambling games within the racetrack enclosure to supplement
35 purses for races particularly for Iowa-bred horses pursuant to

1 an agreement which shall be negotiated between the licensee and
2 representatives of the dog or horse owners. For agreements
3 subject to commission approval concerning purses for horse
4 racing beginning on or after January 1, 2006, and ending
5 before January 1, 2021, the agreements shall provide that
6 total annual purses for all horse racing shall be no less than
7 eleven percent of the first two hundred million dollars of net
8 receipts, and six percent of net receipts above two hundred
9 million dollars. In addition, for agreements concerning horse
10 racing between the licensee operating the horse racetrack
11 in Polk county and representatives of standardbred horse
12 owners, the agreement shall include a supplemental amount
13 for standardbred horse races held at county fair racetracks
14 in the state, and the supplemental amount shall be included
15 in determining the total annual purses for all horse racing
16 that is required to be paid as provided by this paragraph
17 "a". Agreements that are subject to commission approval
18 concerning horse purses for a particular period of time
19 beginning on or after January 1, 2006, and ending before
20 January 1, 2021, shall be jointly submitted to the commission
21 for approval.

22 (4) A qualified sponsoring organization shall not make a
23 contribution to a candidate, political committee, candidate's
24 committee, state statutory political committee, county
25 statutory political committee, national political party, or
26 fund-raising event as these terms are defined in section
27 68A.102. The membership of the board of directors of a
28 qualified sponsoring organization shall represent a broad
29 interest of the communities.

30 (5) For purposes of this paragraph "a", "net receipts" means
31 the annual adjusted gross receipts from all gambling games less
32 the annual amount of money pledged by the owner of the facility
33 to fund a project approved to receive vision Iowa funds as of
34 July 1, 2004.

35

EXPLANATION

H.F. 2507

1 This bill concerns horse racing by providing for purse
2 agreements for races of standardbred horses at county fairs.
3 Code section 99F.6 is amended to provide that agreements
4 concerning horse racing between the horse racetrack in Polk
5 county and representatives of standardbred horses shall include
6 a supplemental amount for standardbred races held at county
7 fairs which amount shall be included in determining the total
8 amount of horse purses that is required to be paid.